



Wind Tower Assessments

Department of Local Government Finance

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Wind Tower Assessments

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❖ Indiana Code Citations:

IC 6-1.1-8-3

Companies subject to taxation

Sec. 3. (a) Except as provided in subsection (c), the following companies are subject to taxation under this chapter:

- (1) Each company which is engaged in the business of transporting persons or property.
- (2) Each company which is engaged in the business of selling or distributing electricity, gas, steam, or water.
- (3) Each company which is engaged in the business of transmitting messages for the general public by wire or airwaves.
- (4) Each company which is engaged in the business of operating a sewage system or a sewage treatment plant.



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(b) The companies which are subject to taxation under this chapter include, but are not limited to:

- (1) bridge companies;
- (2) bus companies;
- (3) express companies;
- (4) light, heat, or power companies;
- (5) pipeline companies;
- (6) railroad companies;
- (7) railroad car companies;
- (8) sleeping car companies;
- (9) street railway companies;
- (10) telephone, telegraph, or cable companies;
- (11) tunnel companies; and
- (12) water distribution companies.



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(c) The following companies are not subject to taxation under this chapter:

- (1) Aviation companies.
 - (2) Broadcasting companies.
 - (3) Television companies.
 - (4) Water transportation companies.
 - (5) Companies which are operated by a municipality or a municipal corporation, except those utility companies owned or held in trust by a first class city.
- (Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.8, SEC.51; Acts 1981, P.L.66, SEC.2; P.L.64-1983, SEC.2; P.L.59-1985, SC.2. IC 6-1.1-8-4*



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IC 6-1.1-8-9

Light, heat, or power companies

Sec. 9. (a) The fixed property of a light, heat, or power company consists of:

- (1) automotive and other mobile equipment;
- (2) office furniture and fixtures;
- (3) other tangible personal property which is not used as part of the company's production plant, transmission system, or distribution system; and
- (4) real property which is not part of the company's right-of-ways, transmission system, or distribution system.

(b) A light, heat, or power company's property which is not described as fixed property in subsection (a) of this section is definite-situs distributable property. This property includes, but is not limited to, turbo-generators, boilers, transformers, transmission lines, distribution lines, and pipe lines. *(Formerly: Acts 1975, P.L.47, SEC.1.)*



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❖ State Distributable Assessments

- The Wind Tower, but not the land upon which it rests, is to be assessed as state distributable property.
- The company is required to file an Annual Report (UD-45) with the DLGF on March 1 (IC 6-1.1-8-19).
- The Department will review the assessment and allocate the value to the appropriate taxing district(s).



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❖ State Distributable Assessments

- The assessment will be based on federal cost less federal depreciation, at tax basis per 50 IAC 5.1-6-3.
- Specific information can be found at <http://www.in.gov/dlgf/2486.htm>
- The DLGF disseminated a memo on the assessment of Wind Towers and Land on December 4, 2008 (see <http://www.in.gov/dlgf/files/Memo-Assessment-of-WindTowers-and-Land.pdf>).



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❖ Land Assessments

- The portion of the land used for the Wind Tower is classified as Industrial land.
- The Industrial land rate is county specific. It would be assessed comparable to a cell phone tower.
- Typically, the land area that is utilized for the individual Wind Tower ranges from .25 acres to .50 acres. This would NOT include any roads used to construct and service the tower.



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❖ Land Assessments

- Depending on the parcel and its use, it could be assessed as “Secondary Industrial” land.
- Defined as land used for purposes that are secondary to the primary use of the land.
- See <http://www.in.gov/dlgf/files/bk1ch2.pdf> for guidelines for valuing Commercial and Industrial Acreage.



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❖ Deductions

- The deduction for a wind power device (per IC 6-1.1-12-29 and IC 6-1.1-12-30) is applicable to Wind Towers.
- The taxpayer must own the property in the year in which the deduction is sought, and timely apply on Form SES/WPD (Statement for Deduction of Assessed Valuation Attributed to Solar Energy System/Wind, Geothermal or Hydroelectric Power Device – see <http://www.in.gov/icpr/webfile/formsdiv/18865.pdf>).



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❖ IC 6-1.1-12-29

Wind power device; definition

Sec. 29. (a) For purposes of this section, "wind power device" means a device, such as a windmill or a wind turbine, that is designed to utilize the kinetic energy of moving air to provide mechanical energy or to produce electricity.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a wind power device is entitled to an annual property tax deduction. The amount of the deduction equals the remainder of (1) the assessed value of the real property or mobile home with the wind power device included, minus (2) the assessed value of the real property or mobile home without the wind power device.

As added by Acts 1979, P.L.56, SEC.3.



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IC 6-1.1-12-30

Claim for deduction for wind power device

Sec. 30. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:



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(1) own the real property, mobile home, or manufactured home; or

(2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

As added by Acts 1979, P.L.56, SEC.4. Amended by P.L.43-1984, SEC.2; P.L.90-2002, SEC.116; P.L.154-2006, SEC.21; P.L.183-2007, SEC.8; P.L.144-2008, SEC.30; P.L.146-2008, SEC.113; P.L.1-2009, SEC.36.



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